

State of Utah

Department of **Environmental Quality**

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DAO-043-07

MEMORANDUM

TO: Air Quality Board

THROUGH: Cheryl Heying, Acting Executive Secretary

FROM: Tim Andrus, Environmental Engineer

DATE: July 11, 2007

SUBJECT: Propose for Public Comment: Amend R307-415 to Exempt Certain Area Sources

from Title V Permitting Obligations.

UAC R307-415-4 specifies applicability of the title V permitting program in Utah. In sections R307-415-4(1)(b) and (c), the program is applied to all sources, including area sources⁽¹⁾, subject to a New Source Performance Standard (NSPS), National Emission Standard for Hazardous Air Pollutants (NESHAP) or Maximum Achievable Control Technology (MACT) standard.

EPA has been promulgating NSPS and MACT rules that specifically exempt area sources from title V permitting obligations, beginning with the exemption of five area source categories in December 2005 (70 FR 75320, 12/19/2005). These particular exemptions were adopted into R307-415(2)(c) in 2006.

EPA has continued to exempt area sources from title V in subsequent NSPS and MACT rulemakings using particular language in each rule⁽²⁾⁽³⁾. It appears that this is EPA's chosen approach to implement its authority under Part 70 to exempt area sources from title $V^{(4)}$.

This presents two options for handling these rules under R307-415. Staff could modify the rule each time EPA promulgates a new rule containing the exemption language, or staff can modify the rule with a general exemption for area sources subject to any rule containing EPA's exemption. Staff has chosen to propose the latter approach since it requires fewer resources and provides a more certain position for area sources. This approach to exempting sources also parallels the approach to including sources in R307-415-4(1).

Staff Recommendation: Staff recommends that the Air Quality Board propose for public comment the modification of R307-415-4(2)(c) as shown below, striking the individual exemptions currently contained in this rule, and replacing them with a generalized exemption:

R307-415-4(2) Exemptions

- (a) All source categories that would be required to obtain an operating permit solely because they are subject to 40 CFR Part 60, Subpart AAA Standards of Performance for New Residential Wood Heaters, are exempted from the requirement to obtain a permit.
- (b) All source categories that would be required to obtain an operating permit solely because they are subject to 40 CFR Part 61, Subpart M National Emission Standard for Hazardous Air Pollutants for Asbestos, Section 61.145, Standard for Demolition and Renovation, are exempted from the requirement to obtain a permit. For Part 70 sources, demolition and renovation activities within the source under 40 CFR 61.145 shall be treated as a separate source for the purpose of R307-415.
- (c) Certain area sources have been exempted from the requirement to obtain an operating permit under a subpart of 40 CFR Part 63. These include:
 - (i) 40 CFR Part 63, Subpart M, National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities;
 - (ii) 40 CFR Part 63, Subpart N, National Emission Standards for Chromium Emissions From Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks;40 CFR Part 63, Subpart O, Ethylene Oxide Emission Standards for Sterilization Facilities;
 - (iii) 40 CFR Part 63, Subpart T, National Emission Standards for Halogenated Solvent Cleaning;
 - (iv) 40 CFR Part 63, Subpart RRR, National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production.
- (c) An area source subject to a regulation under Section 111 or 112 (42 U.S.C. 7411 or 7412) promulgated after July 21, 1992 is exempt from the obligation to obtaining a Part 70 permit if:
 - (i) the regulation specifically exempts the area source category from the obligation to obtain a Part 70 permit, and
 - (ii) the source is not required to obtain a permit under R307-415-4(1) for a reason other than its status as an area source under the Section 111 or 112 regulation containing the exemption.

[&]quot;Area source" means any stationary source that is not a major source. Depending on the context of the discussion, "nonmajor source" may also be used to indicate this class of sources. Utah rules use the term "area source" exclusively.

⁴⁰ CFR 60 Subpart IIII—Standards of Performance for Stationary Compression Ignition Internal Combustion Engines: 60.4200(c) "If you are an owner or operator of an area source subject to this subpart, you are exempt from the obligation to obtain a permit under 40 CFR part 70 or 40 CFR part 71, provided you are not required to obtain a permit under 40 CFR 70.3(a) or 40 CFR 71.3(a) for a reason other than your status as an area source under this subpart. Notwithstanding the previous sentence, you must continue to comply with the provisions of this subpart applicable to area sources."

⁴⁰ CFR 63 Subpart DDDDDD—National Emission Standards for Hazardous Air Pollutants for Polyvinyl Chloride and Copolymers Production Area Sources: 63.11140(d) "You are exempt from the obligation to obtain a permit under 40 CFR part 70 or 40 CFR part 71, provided you are not otherwise required by law to obtain a permit under 40 CFR 70.3(a) or 40 CFR 71.3(a). Notwithstanding the previous sentence, you must continue to comply with the provisions of this subpart."

⁽⁴⁾ 40 CFR 70.3(b)(2) "In the case of nonmajor sources subject to a standard or other requirement under either section 111 or section 112 of the Act after July 21, 1992 publication, the Administrator will determine whether to exempt any or all such applicable sources from the requirement to obtain a part 70 permit at the time that the new standard is promulgated."